

105TH CONGRESS  
1ST SESSION

# H. R. 2930

To impose certain sanctions on foreign persons who transfer items contributing to Iran's efforts to acquire, develop, or produce ballistic missiles.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 8, 1997

Mr. GILMAN (for himself, Mr. HORN, Ms. STABENOW, Mr. TALENT, Mr. SANDLIN, Mr. LAMPSON, Ms. DUNN, Mrs. KELLY, Mr. GEJDENSON, Mr. WHITFIELD, Mr. FRANK of Massachusetts, Ms. RIVERS, Mr. GOODE, Mr. DICKEY, Mr. DOYLE, Mr. SKELTON, Mr. BOYD, Mr. MANTON, Mr. SCARBOROUGH, Mr. WAXMAN, Mr. STRICKLAND, Mr. HALL of Texas, Mr. FORBES, Mr. POSHARD, Mr. METCALF, Mr. ADAM SMITH of Washington, Mr. ROGAN, Ms. DANNER, Ms. SANCHEZ, Mrs. FOWLER, Mr. HOLDEN, Mr. EVANS, Mr. MCCRERY, Ms. DEGETTE, Mr. UPTON, Mr. FILNER, Mr. ALLEN, Mr. WATTS of Oklahoma, Mr. MCINTOSH, Mr. BENTSEN, Mr. CUMMINGS, Mr. STOKES, Mr. SAWYER, Mr. DIAZ-BALART, Mr. COBLE, Mr. CLYBURN, Mr. MCINNIS, Mr. BLUMENAUER, Mr. STUMP, Mr. HUNTER, Mr. HOBSON, Mr. LEVIN, Mr. MCDADE, Mr. TURNER, Mr. HASTINGS of Washington, Mr. GIBBONS, Ms. FURSE, Mr. JOHN, Mrs. TAUSCHER, Mr. ADERHOLT, Ms. LOFGREN, Mr. MILLER of Florida, Mr. LANTOS, Mr. WHITE, Mr. WICKER, Mr. LINDER, Mr. KLECZKA, Mr. STEARNS, Mrs. LINDA SMITH of Washington, Mr. MCCOLLUM, Mr. BRADY, Mr. BLILEY, Mr. BASS, Mr. PAXON, Mr. SOUDER, Mr. KENNEDY of Massachusetts, Mr. CONDIT, Mr. BUNNING of Kentucky, Mr. RYUN, Mr. CRAPO, Mr. CRAMER, Mr. RUSH, Mr. NEY, Mr. DELAHUNT, Ms. ROYBAL-ALLARD, Mr. CHRISTENSEN, Mr. TAYLOR of North Carolina, Mr. HULSHOF, Ms. PRYCE of Ohio, Ms. JACKSON-LEE of Texas, Mr. SHIMKUS, Mr. SCOTT, Mr. YATES, Mr. PORTMAN, Mr. ENSIGN, Mr. RIGGS, Mr. BRYANT, Mr. NUSSLE, Mrs. MCCARTHY of New York, Mr. TIERNEY, Mr. INGLIS of South Carolina, Mr. DAVIS of Virginia, Mr. BARCIA, Mr. KINGSTON, Mr. HINCHEY, Mr. GOODLATTE, Mr. FOSSELLA, Mr. LAHOOD, Ms. ESHOO, Mr. TIAHRT, Mr. MATSUI, Ms. SLAUGHTER, Mrs. MYRICK, Mr. LEWIS of Kentucky, Mr. McDERMOTT, Mr. ANDREWS, Mr. RADANOVICH, Mr. SABO, Mr. COOK, Mr. PICKETT, Mr. GEKAS, and Mr. STENHOLM) introduced the following bill; which was referred to the Committee on International Relations

# A BILL

To impose certain sanctions on foreign persons who transfer items contributing to Iran’s efforts to acquire, develop, or produce ballistic missiles.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Iran Missile Prolifera-  
5       tion Sanctions Act of 1997”.

6       **SEC. 2. REPORTS ON MISSILE PROLIFERATION TO IRAN.**

7       (a) REPORTS.—Except as provided in subsection (c),  
8       the President shall, at the times specified in subsection  
9       (b), submit to the Committee on International Relations  
10      of the House of Representatives and the Committee on  
11      Foreign Relations of the Senate a report identifying every  
12      foreign person with respect to whom there is credible in-  
13      formation indicating that that person, on or after August  
14      8, 1995—

15               (1)(A) transferred items on the MTCR Annex,  
16              or items that the United States proposes for addi-  
17              tion to the MTCR Annex, that contributed to Iran’s  
18              efforts to acquire, develop, or produce ballistic mis-  
19              siles, or

20               (B) provided technical assistance or facilities  
21              which the President deems to be of concern because

1 of their direct contribution to Iran's efforts to ac-  
2 quire, develop, or produce ballistic missiles; or

3 (2)(A) attempted to transfer items on the  
4 MTCR Annex, or items that the United States pro-  
5 poses for addition to the MTCR Annex, that would  
6 have contributed to Iran's efforts to acquire, de-  
7 velop, or produce ballistic missiles, or

8 (B) attempted to provide technical assistance or  
9 facilities which the President deems to be of concern  
10 because of their direct contribution to Iran's efforts  
11 to acquire, develop, or produce ballistic missiles.

12 (b) TIMING OF REPORTS.—The reports under sub-  
13 section (a) shall be submitted not later than 30 days after  
14 the date of the enactment of this Act, not later than 180  
15 days after such date of enactment, not later than 1 year  
16 after such date of enactment, and not later than the end  
17 of each 1-year period thereafter.

18 (c) EXCEPTIONS.—Any foreign person who—

19 (1) was identified in a previous report submit-  
20 ted under subsection (a) on account of a particular  
21 transfer, transaction, or attempt,

22 (2) has engaged in a transfer or transaction  
23 that was the basis for the imposition of sanctions  
24 with respect to that person under section 73 of the

1 Arms Export Control Act or section 1604 of the  
2 Iran-Iraq Arms Non-Proliferation Act of 1992,

3 (3) may have engaged in a transfer or trans-  
4 action, or made an attempt, that was the subject of  
5 a waiver under section 4, or

6 (4) has engaged in a transfer or transaction, or  
7 made an attempt, on behalf of, or in concert with,  
8 the Government of the United States,

9 is not required to be identified on account of that same  
10 transfer, transaction, or attempt in any report submitted  
11 thereafter under this section.

12 (d) SUBMISSION IN CLASSIFIED FORM.—When the  
13 President considers it appropriate, reports submitted  
14 under subsection (a), or appropriate parts thereof, may  
15 be submitted in classified form.

16 **SEC. 3. IMPOSITION OF SANCTIONS.**

17 (a) REQUIREMENT TO IMPOSE SANCTIONS.—

18 (1) REQUIREMENT TO IMPOSE SANCTIONS.—

19 The sanctions described in subsection (b) shall be  
20 imposed on—

21 (A) any foreign person identified under  
22 subsection (a)(1) of section 2 in a report sub-  
23 mitted under that section, and

24 (B) any foreign person identified under  
25 subsection (a)(2) of section 2 in a report sub-

1           mitted under that section, if that person has  
2           been identified in that report or a previous re-  
3           port as having made at least 1 other attempt  
4           described in subsection (a)(2) of that section.

5           (2) EFFECTIVE DATE OF SANCTIONS.—The  
6           sanctions shall be effective—

7                   (A) 30 days after the report triggering the  
8                   sanction is submitted, if the report is submitted  
9                   on or before the date required by section 2(b);

10                   (B) 30 days after the date required by sec-  
11                   tion 2(b) for submitting the report, if the report  
12                   triggering the sanction is submitted within 30  
13                   days after that date; and

14                   (C) on the date that the report triggering  
15                   the sanction is submitted, if that report is sub-  
16                   mitted more than 30 days after the date re-  
17                   quired by section 2(b).

18           (b) DESCRIPTION OF SANCTIONS.—The sanctions re-  
19           ferred to in subsection (a) that are to be imposed on a  
20           foreign person described in that subsection are the follow-  
21           ing:

22                   (1) ARMS EXPORT SANCTION.—For a period of  
23                   not less than 2 years, the United States Government  
24                   shall not sell to that person any item on the United  
25                   States Munitions List as in effect on August 8,

1       1995, and shall terminate sales to that person of  
2       any defense articles, defense services, or design and  
3       construction services under the Arms Export Control  
4       Act.

5           (2) DUAL USE SANCTION.—For a period of not  
6       less than 2 years, the authorities of section 6 of the  
7       Export Administration Act of 1979 shall be used to  
8       prohibit the export to that person of any goods or  
9       technology on the control list established under sec-  
10      tion 5(c)(1) of that Act.

11          (3) UNITED STATES ASSISTANCE.—For a pe-  
12      riod of not less than 2 years, the United States Gov-  
13      ernment shall not provide any assistance in the form  
14      of grants, loans, credits, guarantees, or otherwise, to  
15      that person.

16   **SEC. 4. WAIVER ON BASIS OF ADDITIONAL INFORMATION.**

17          (a) IN GENERAL.—The President may waive the im-  
18      position of any sanction that would otherwise be required  
19      under section 3 on any foreign person 15 days after the  
20      President determines and reports to the Committee on  
21      International Relations of the House of Representatives  
22      and the Committee on Foreign Relations of the Senate  
23      that, on the basis of information provided by that person,  
24      or otherwise obtained by the President, the President is

1 persuaded that the person did not, on or after August 8,  
2 1995—

3 (1)(A) transfer items on the MTCR Annex, or  
4 items that the United States proposes for addition  
5 to the MTCR Annex, that contributed to Iran's ef-  
6 forts to acquire, develop, or produce ballistic mis-  
7 siles, or

8 (B) provide technical assistance or facilities  
9 which the President deems to be of concern because  
10 of their direct contribution to Iran's efforts to ac-  
11 quire, develop, or produce ballistic missiles; or

12 (2) attempt on more than one occasion—

13 (A) to transfer items on the MTCR Annex,  
14 or items that the United States proposes for  
15 addition to the MTCR Annex, that would have  
16 contributed to Iran's efforts to acquire, develop,  
17 or produce ballistic missiles, or

18 (B) to provide technical assistance or fa-  
19 cilities described in paragraph (1)(B).

20 (b) WRITTEN JUSTIFICATION.—The determination  
21 and report of the President under subsection (a) shall in-  
22 clude a written justification describing in detail—

23 (1) the credible information indicating that the  
24 person—

1 (A) transferred items described in section  
2 2(a)(1)(A), or provided technical assistance or  
3 facilities described in section 2(a)(1)(B); or

4 (B) attempted to transfer items described  
5 in section 2(a)(1)(A), or attempted to provide  
6 technical assistance or facilities described in  
7 section 2(a)(1)(B);

8 (2) the additional information which persuaded  
9 the President that the person did not—

10 (A) transfer items described in section  
11 2(a)(1)(A), or provide technical assistance or  
12 facilities described in section 2(a)(1)(B); or

13 (B) attempt to transfer items described in  
14 section 2(a)(1)(A), or attempt to provide tech-  
15 nical assistance or facilities described in section  
16 2(a)(1)(B); and

17 (3) the analysis of the information supporting  
18 the President's conclusion.

19 (c) SUBMISSION IN CLASSIFIED FORM.—When the  
20 President considers it appropriate, the determination and  
21 report of the President under subsection (a) and the writ-  
22 ten justification under subsection (b), or appropriate parts  
23 thereof, may be submitted in classified form.



1 **SEC. 5. WAIVER ON BASIS OF NATIONAL SECURITY.**

2 (a) IN GENERAL.—The President may waive the im-  
3 position of any sanction that would otherwise be required  
4 under section 3 on any foreign person 15 days after the  
5 President determines and reports to the Committee on  
6 International Relations of the House of Representatives  
7 and the Committee on Foreign Relations of the Senate  
8 that such waiver is essential to the national security of  
9 the United States.

10 (b) WRITTEN JUSTIFICATION.—The determination  
11 and report of the President under subsection (a) shall in-  
12 clude a written justification describing in detail the facts  
13 and circumstances supporting the President’s conclusion.

14 (c) SUBMISSION IN CLASSIFIED FORM.—When the  
15 President considers it appropriate, the determination and  
16 report of the President under subsection (a) and the writ-  
17 ten justification under subsection (b), or appropriate parts  
18 thereof, may be submitted in classified form.

19 **SEC. 6. ADDITIONAL INFORMATION REGARDING ACTIONS**  
20 **BY GOVERNMENT OF PRIMARY JURISDIC-**  
21 **TION.**

22 As part of each report submitted under section 2, the  
23 President shall include the following information with re-  
24 spect to each foreign person identified in that report:

25 (1) A statement regarding whether the govern-  
26 ment of primary jurisdiction over that person was

1       aware of the activities that were the basis for the  
2       identification of that person in the report.

3           (2) If the government of primary jurisdiction  
4       was not aware of the activities that were the basis  
5       for the identification of that person in the report, an  
6       explanation of the reasons why the United States  
7       Government did not inform that government of those  
8       activities.

9           (3) If the government of primary jurisdiction  
10      was aware of the activities that were the basis for  
11      the identification of that person in the report, a de-  
12      scription of the efforts, if any, undertaken by that  
13      government to prevent those activities, and an as-  
14      sessment of the effectiveness of those efforts, includ-  
15      ing an explanation of why those efforts failed.

16          (4) If the government of primary jurisdiction  
17      was aware of the activities that were the basis for  
18      the identification of that person in the report and  
19      failed to undertake effective efforts to prevent those  
20      activities, a description of any sanctions that have  
21      been imposed on that government by the United  
22      States Government because of such failure.

23   **SEC. 7. PURCHASE OF WEAPONS TECHNOLOGY.**

24          (a) SENSE OF THE CONGRESS.—It is the sense of the  
25      Congress that the President should exercise the authority

1 granted to him under section 504 of the Freedom for Rus-  
2 sia and Emerging Eurasian Democracies and Open Mar-  
3 kets Support Act of 1992 (22 U.S.C. 5854)—

4 (1) to prevent the transfer of weapons-related  
5 material and delivery systems to Iran through the  
6 purchase, barter, or other acquisition of such mate-  
7 rial and delivery systems; and

8 (2) to prevent the transfer to Iran of scientific  
9 and technical expertise with respect to such weap-  
10 ons-related material and delivery systems.

11 (b) AVAILABILITY OF AMOUNTS.—Amounts hereafter  
12 made available, subject to the availability of appropria-  
13 tions, to carry out chapter 11 of part I of the Foreign  
14 Assistance Act of 1961 (22 U.S.C. 2295 et seq.; relating  
15 to assistance for the independent states of the former So-  
16 viet Union) may be used to carry out subsection (a).

17 **SEC. 8. DEFINITIONS.**

18 For the purposes of this Act—

19 (1) the terms “foreign person” and “person”  
20 mean—

21 (A) a natural person that is an alien;

22 (B) a corporation, business association,  
23 partnership, society, trust, or any other non-  
24 governmental entity, organization, or group,  
25 that is organized under the laws of a foreign

1 country or has its principal place of business in  
2 a foreign country;

3 (C) any foreign governmental entity oper-  
4 ating as a business enterprise; and

5 (D) any successor or subsidiary of any en-  
6 tity described in subparagraph (B) or (C);

7 (2) the term “government of primary jurisdic-  
8 tion” means—

9 (A) in the case of a natural person, the  
10 foreign government of the country of which the  
11 person is a citizen or national;

12 (B) in the case of an entity described in  
13 subparagraph (B) of paragraph (1), the foreign  
14 government of the country in which the entity  
15 has its principal place of business, or the for-  
16 eign government under whose laws that entity  
17 is organized; and

18 (C) in the case of a foreign governmental  
19 entity described in subparagraph (C) of para-  
20 graph (1), the foreign government of which that  
21 entity is a part; and

22 (3) the term “MTCR Annex” has the meaning  
23 given that term in section 11B(c)(4) of the Export

1       Administration   Act   of   1979   (50   U.S.C.  
2       2410b(c)(4)).

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